

असाघारण

EXTRAORDINARY

भाग Ⅱ --- खण्ड 2

PART II - Section 2

प्राधिकार से प्रकाशित

#### PUBLISHED BY AUTHORITY

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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके। Separate paging is given to this Part in order that it may be filed as a separate compilation.

#### LOK SABHA

The following Bills were introduced in the Lok Sabha on 18th March, 2005:—

BILL No. 32 of 2005

A Bill further to amend the Patents Act, 1970.

Be it enacted by Parliament in the Fifty-sixth Year of the Republic of India as follows:—

1. (1) This Act may be called the Patents (Amendment) Act, 2005.

(2) Sub-clause (ii) of clause (a), and clause (b), of section 37, sections 41, 42, 47, 58 to 62 (both inclusive) and 73 shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint; and the remaining provisions of this Act shall be deemed to have come into force on the 1st day of January, 2005.

Short title and commencement. Amendment of section 2.

- 2. In section 2 of the Patents Act, 1970 (hereinafter referred to as the principal Act), in sub-section (1),—
  - 39 of 1970.

1 of 1956.

- (a) after clause (ab), the following clause shall be inserted, namely:—
- '(aba) "Budapest Treaty" means the Budapest Treaty on the International Recognition of the Deposit of Micro-organisms for the Purposes of Patent Procedure done at Budapest on 28th day of April, 1977, as amended and modified from time to time;':
- (b) in clause (d), for the words, brackets and figures "notified as such under subsection (1) of section 133", the words and figures "referred to as a convention country in section 133" shall be substituted:
  - (c) clause (g) shall be omitted;
  - (d) in clause (h),—
  - (i) in sub-clause (iii), after the words and figures "the Companies Act, 1956", the word "; or" shall be inserted;
  - (ii) after sub-clause (iii), the following sub-clause shall be inserted, namely:-
    - "(iv) by an institution wholly or substantially financed by the Government:":
  - (iii) the words "and includes the Council of Scientific and Industrial Research and any other institution which is financed wholly or for the major part by the said Council;" shall be omitted;
  - (e) for clause (i), the following clause shall be substituted, namely:—
  - '(i) "High Court", in relation to a State or Union territory, means the High Court having territorial jurisdiction in that State or Union territory, as the case may be;';
  - (f) for clauses (l) and (m), the following clauses shall be substituted, namely:—
  - '(1) "Opposition Board" means an Opposition Board constituted under sub-section (4) of section 25;
    - (m) "patent" means a patent for any invention granted under this Act;'.

Amendment of section 3.

- 3. In section 3 of the principal Act,—
- (a) in clause (d), for the words "new use", the words "mere new use" shall be substituted;
  - (b) for clause (k), the following clauses shall be substituted, namely:—
  - "(k) a computer programme per se other than its technical application to industry or a combination with hardware;
    - (ka) a mathematical method or a business method or algorithms;".

Omission of section 5.

4. Section 5 of the principal Act shall be omitted.

Amendment of section 7.

- In section 7 of the principal Act,—
  - (a) after sub-section (1A), the following sub-section shall be inserted, namely:—
  - "(1B) The filing date of an application referred to in sub-section (1A) and its complete specification processed by the patent office as designated office or elected office shall be the international filing date accorded under the Patent Cooperation Treaty.";

- (b) in sub-section (3), for the word "owner", the word "person" shall be substituted:
- (c) for sub-section (4), the following sub-section shall be substituted, namely:—
  - "(4) Every such application (not being a convention application or an application filed under the Patent Cooperation Treaty designating India) shall be accompanied by a provisional or a complete specification.".

#### 6. In section 8 of the principal Act,-

Amendment of section 8.

- (a) in sub-section (1),—
- (i) for the words "within such period as the Controller may, for good and sufficient reasons, allow", the words "within the prescribed period as the Controller may allow" shall be substituted;
- (ii) in clause (b), for the words "up to the date of the acceptance of his complete specification filed in India", the words "up to the date of grant of patent in India" shall be substituted:
- (b) for sub-section (2), the following sub-section shall be substituted, namely:—
  - "(2) At any time after an application for patent is filed in India and till the grant of a patent or refusal to grant of a patent made thereon, the Controller may also require the applicant to furnish details, as may be prescribed, relating to the processing of the application in a country outside India, and in that event the applicant shall furnish to the Controller information available to him within such period as may be prescribed."

#### 7. In section 9 of the principal Act,-

Amendment of section 9.

- (a) for sub-section (1), the following sub-section shall be substituted, namely:—
- "(1) Where an application for a patent (not being a convention application or an application filed under the Patent Cooperation Treaty designating India) is accompanied by a provisional specification, a complete specification shall be filed within twelve months from the date of filing of the application, and if the complete specification is not so filed, the application shall be deemed to be abandoned.":
- (b) in sub-section (2), the following proviso shall be inserted at the end, namely:—
  - "Provided that the period of time specified under sub-section (1) shall be reckoned from the date of filing of the earliest provisional specification.";
- (c) for sub-section (3), the following sub-section shall be substituted, namely:—
  - "(3) Where an application for a patent (not being a convention application or an application filed under the Patent Cooperation Treaty designating India) is accompanied by a specification purporting to be a complete specification, the Controller may, if the applicant so requests at any time within twelve months from the date of filing of the application, direct that such specification shall be treated, for the purposes of this Act, as a provisional specification and proceed with the application accordingly.";
- (d) in sub-section (4), for the words "the acceptance of the complete specification", the words "grant of patent" shall be substituted.

Amendment of section 10.

- 8. In section 10 of the principal Act,—
- (a) in sub-section (3), for the words "before the acceptance of the application", the words "before the application is found in order for grant of a patent" shall be substituted:
  - (b) in sub-section (4), in the proviso,—
  - (i) in clause (ii), for the words "the material to an authorised depository institution as may be notified by the Central Government in the Official Gazette", the words "the material to an international depository authority under the Budapest Treaty" shall be substituted;
  - (ii) for sub-clause (A), the following sub-clause shall be substituted, namely:—
    - "(A) the deposit of the material shall be made not later than the date of filing the patent application in India and a reference thereof shall be made in the specification within the prescribed period;";
- (c) for sub-section (4A), the following sub-section shall be substituted, namely:—
  - "(4A) In case of an international application designating India, the title, description, drawings, abstract and claims filed with the application shall be taken as the complete specification for the purposes of this Act.".

Amendment of section 11.

Amendment of section

11A.

- 9. In section 11 of the principal Act,—
  - (a) after sub-section (3), the following sub-section shall be inserted, namely:—
  - "(3A) Where a complete specification based on a previously filed application in India has been filed within twelve months from the date of that application and the claim is fairly based on the matter disclosed in the previously filed application, the priority date of that claim shall be the date of the previously filed application in which the matter was first disclosed.";
- (b) in sub-section (6), after the brackets and figure "(3),", the brackets, figure and letter "(3A)," shall be inserted.
- 10. In section 11A of the principal Act,-
- (a) for sub-sections (1) to (3), the following sub-sections shall be substituted, namely:—
  - "(1) Save as otherwise provided, no application for patent shall ordinarily be open to the public for such period as may be prescribed.
  - (2) The applicant may, in the prescribed manner, request the Controller to publish his application at any time before the expiry of the period prescribed under sub-section (1) and subject to the provisions of sub-section (3), the Controller shall publish such application as soon as possible.
  - (3) Every application for a patent shall, on the expiry of the period specified under sub-section (1), be published, except in cases where the application—
    - (a) in which secrecy direction is imposed under section 35; or
    - (b) has been abandoned under sub-section (1) of section 9; or
    - (c) has been withdrawn three months prior to the period specified under sub-section (1).";
- (b) in sub-section (4), for the words "of eighteen months", the words, brackets and figure "prescribed under sub-section (1)" shall be substituted;

(c) after sub-section (6), the following sub-section shall be inserted, namely:—

"(7) On and from the date of publication of the application for patent and until the date of grant of a patent in respect of such application, the applicant shall have the like privileges and rights as if a patent for the invention had been granted on the date of publication of the application:

Provided that the applicant shall not be entitled to institute any proceedings for infringement until the patent has been granted:

Provided further that the rights of a patentee in respect of applications made under sub-section (2) of section 5 before the 1st day of January, 2005 shall accrue from the date of grant of the patent."

# 11. In section 11B of the principal Act,-

(a) for sub-section (1), the following sub-section shall be substituted, namely:—

Amendment of section 11B.

- "(1) No application for a patent shall be examined unless the applicant or any other interested person makes a request in the prescribed manner for such examination within the prescribed period.";
- (b) sub-section (2) shall be omitted;
- (c) for sub-section (3), the following sub-section shall be substituted, namely:—
  - "(3) In case of an application in respect of a claim for a patent filed under sub-section (2) of section 5 before the 1st day of January, 2005 a request for its examination shall be made in the prescribed manner and within the prescribed period by the applicant or any other interested person.";
  - (d) in sub-section (4),—
    - (i) the words, brackets and figure "or sub-section (2)" shall be omitted;
    - (ii) for the proviso, the following proviso shall be substituted, namely:— "Provided that—
      - (i) the applicant may, at any time after filing the application but before the grant of a patent, withdraw the application by making a request in the prescribed manner; and
      - (ii) in a case where secrecy direction has been issued under section 35, the request for examination may be made within the prescribed period from the date of revocation of the secrecy direction."

## 12. In section 12 of the principal Act,---

(a) in sub-section (I), for the words, brackets, figures and letter "under sub-section (I) or sub-section (2) or sub-section (3) of section 11B, the application and specification and other documents shall be referred to by the Controller", the words, brackets, figures and letter "under sub-section (I) or sub-section (3) of section 11B, the application and specification and other documents related thereto shall be referred at the earliest by the Controller" shall be substituted;

- (b) in sub-section (2), for the words "a period of eighteen months from the date of such reference", the words "such period as may be prescribed" shall be substituted.
- 13. In section 13 of the principal Act, in sub-section (3), for the words "it has been accepted", the words "the grant of a patent" shall be substituted.

Amendment of section

Amendment of section 13.

Substitution of new sections for sections 14 and 15. Consideration of the report of examiner by Controller.

Power of Controller to refuse or require amended applications, etc., in certain cases.

Amendment of section 16.

14. For sections 14 and 15 of the principal Act, the following sections shall be substituted, namely:—

- "14. Where, in respect of an application for a patent, the report of the examiner received by the Controller is adverse to the applicant or requires any amendment of the application, the specification or other documents to ensure compliance with the provisions of this Act or of the rules made thereunder, the Controller, before proceeding to dispose of the application in accordance with the provisions hereinafter appearing, shall communicate as expeditiously as possible the gist of the objections to the applicant and shall, if so required by the applicant within the prescribed period, give him an opportunity of being heard.
- 15. Where the Controller is satisfied that the application or any specification or any other document filed in pursuance thereof does not comply with the requirements of this Act or of any rules made thereunder, the Controller may refuse the application or may require the application, specification or the other documents, as the case may be, to be amended to his satisfaction before he proceeds with the application and refuse the application on failure to do so."
- 15. In section 16 of the principal Act,-
- (a) in sub-section (1), for the words "before the acceptance of the complete specification", the words "before the grant of the patent" shall be substituted;
- (b) for the Explanation, the following Explanation shall be substituted, namely:—

"Explanation.—For the purposes of this Act, the further application and the complete specification accompanying it shall be deemed to have been filed on the date on which the first mentioned application had been filed, and the further application shall be proceeded with as a substantive application and be examined when the request for examination is filed within the prescribed period.".

Amendment of section 17.

Amendment of section 18.

- 16. In section 17 of the principal Act, in sub-section (I), for the words "before acceptance of the complete specification", the words "before the grant of the patent" shall be substituted.
  - 17. In section 18 of the principal Act,-
  - (a) in sub-section (1), for the words "to accept the complete specification", the words "the application" shall be substituted;
    - (b) sub-section (4) shall be omitted.

Amendment of section 19.

18. In section 19 of the principal Act, in sub-section (1), for the words and figures "by the foregoing provisions of this Act or of proceedings under section 25", the words "under this Act" shall be substituted.

Substitution of new section for section 21.

Time for putting application in order for grant.

- 19. For section 21 of the principal Act, the following section shall be substituted, namely:—
  - "21. (1) An application for a patent shall be deemed to have been abandoned unless, within such period as may be prescribed, the applicant has complied with all the requirements imposed on him by or under this Act, whether in connection with the complete specification or otherwise in relation to the application from the date on which the first statement of objections to the application or complete specification or other documents related thereto is forwarded to the applicant by the Controller.

Explanation.—Where the application for a patent or any specification or, in the case of a convention application or an application filed under the Patent Cooperation

Treaty designating India any document filed as part of the application has been returned to the applicant by the Controller in the course of the proceedings, the applicant shall not be deemed to have complied with such requirements unless and until he has refiled it or the applicant proves to the satisfaction of the Controller that for the reasons beyond his control such document could not be re-filed.

- (2) If at the expiration of the period as prescribed under sub-section (1),—
- (a) an appeal to the High Court is pending in respect of the application for the patent for the main invention; or
- (b) in the case of an application for a patent of addition, an appeal to the High Court is pending in respect of either that application or the application for the main invention, the time within which the requirements of the Controller shall be complied with shall, on an application made by the applicant before the expiration of the period as prescribed under sub-section (d), be extended until such date as the High Court may determine.
- (3) If the time within which the appeal mentioned in sub-section (2) may be instituted has not expired, the Controller may extend the period as prescribed under sub-section (1), to such further period as he may determine:

Provided that if an appeal has been filed during the said further period, and the High Court has granted any extension of time for complying with the requirements of the Controller, then the requirements may be complied with within the time granted by the Court.".

20. Sections 22 to 24 of the principal Act shall be omitted.

Omission of sections 22 to 24.

21. Chapter IVA of the principal Act shall be omitted.

Omission of

22. In Chapter V of the principal Act, for the Chapter heading "Opposition to grant of patent", the Chapter heading "Representation and opposition proceedings" shall be substituted.

Chapter IVA. Substitution of heading of Chapter V.

23. For sections 25 and 26 of the principal Act, the following sections shall be substituted, namely:—

Substitution of new sections for sections 25 and 26.

"25. (1) Where an application for a patent has been published but a patent has not been granted, any person may, in writing, represent by way of opposition to the Controller against the grant of patent on the ground of—

Opposition to the patent.

- (a) patentability including novelty, inventive step and industrial applicability, or
- (b) non-disclosure or wrongful mentioning in complete specification, source and geographical origin of biological material used in the invention and anticipation of invention by the knowledge, oral or otherwise, available within any local or indigenous community in India or elsewhere,

and the Controller shall consider and dispose of such representation in such manner and within such period as may be prescribed.

- (2) Notwithstanding anything contained in sub-section (I), the person making a representation referred to in that sub-section shall not become a party to any proceedings under this Act only for the reason that he has made such representation.
- (3) At any time after the grant of patent but before the expiry of a period of one year from the date of publication of grant of a patent, any person interested may give

notice of opposition to the Controller in the prescribed manner on any of the following grounds, namely:—

- (a) that the patentee or the person under or through whom he claims, wrongfully obtained the invention or any part thereof from him or from a person under or through whom he claims;
- (b) that the invention so far as claimed in any claim of the complete specification has been published before the priority date of the claim—
  - (i) in any specification filed in pursuance of an application for a patent made in India on or after the 1st day of January, 1912; or
    - (ii) in India or elsewhere, in any other document:

Provided that the ground specified in sub-clause (ii) shall not be available where such publication does not constitute an anticipation of the invention by virtue of sub-section (2) or sub-section (3) of section 29;

- (c) that the invention so far as claimed in any claim of the complete specification is claimed in a claim of a complete specification published on or after the priority date of the claim of the patentee and filed in pursuance of an application for a patent in India, being a claim of which the priority date is earlier than that of the claim of the patentee;
- (d) that the invention so far as claimed in any claim of the complete specification was publicly known or publicly used in India before the priority date of that claim.

Explanation.—For the purposes of this clause, an invention relating to a process for which a patent is granted shall be deemed to have been publicly known or publicly used in India before the priority date of the claim if a product made by that process had already been imported into India before that date except where such importation has been for the purpose of reasonable trial or experiment only;

- (e) that the invention so far as claimed in any claim of the complete specification is obvious and clearly does not involve any inventive step, having regard to the matter published as mentioned in clause (b) or having regard to what was used in India before the priority date of the claim;
- (f) that the subject of any claim of the complete specification is not an invention within the meaning of this Act, or is not patentable under this Act;
- (g) that the complete specification does not sufficiently and clearly describe the invention or the method by which it is to be performed;
- (h) that the patentee has failed to disclose to the Controller the information required by section 8 or has furnished the information which in any material particular was false to his knowledge;
- (i) that in the case of a patent granted on convention application, the application for patent was not made within twelve months from the date of the first application for protection for the invention made in a convention country or in India by the patentee or a person from whom he derives title;
- (j) that the complete specification does not disclose or wrongly mentions the source and geographical origin of biological material used for the invention;
- (k) that the invention so far as claimed in any claim of the complete specification was anticipated having regard to the knowledge, or al or otherwise, available within any local or indigenous community in India or elsewhere,

- (4) (a) Where any such notice of opposition is duly given under sub-section (3), the Controller shall notify the patentee.
- (b) On receipt of such notice of opposition, the Controller shall, by order in writing, constitute a Board to be known as the Opposition Board consisting of such officers as he may determine and refer such notice of opposition along with the documents to that Board for examination and submission of its recommendations to the Controller.
- (c) Every Opposition Board constituted under clause (b) shall conduct the examination in accordance with such procedure as may be prescribed.
- (5) On receipt of the recommendation of the Opposition Board and after giving the patentee and the opponent an opportunity of being heard, the Controller shall order either to maintain or to amend or to revoke the patent.
- (6) While passing an order under sub-section (5) in respect of the ground mentioned in clause (d) or clause (e) of sub-section (3), the Controller shall not take into account any personal document or secret trial or secret use.
- (7) In case the Controller issues an order under sub-section (5) that the patent shall be maintained subject to amendment of the specification or any other document, the patent shall stand amended accordingly.
- 26. (1) Where in any opposition proceeding under this Act the Controller finds that---
  - (a) the invention, so far as claimed in any claim of the complete specification, was obtained from the opponent in the manner set out in clause (a) of subsection (3) of section 25 and revokes the patent on that ground, he may, on request by such opponent made in the prescribed manner, direct that the patent shall stand amended in the name of the opponent;
  - (b) a part of an invention described in the complete specification was so obtained from the opponent, he may pass an order requiring that the specification be amended by the exclusion of that part of the invention.
- (2) Where an opponent has, before the date of the order of the Controller requiring the amendment of a complete specification referred to in clause (b) of sub-section (I), filed an application for a patent for an invention which included the whole or a part of the invention held to have been obtained from him and such application is pending, the Controller may treat such application and specification in so far as they relate to the invention held to have been obtained from him, as having been filed, for the purposes of this Act relating to the priority dates of claims of the complete specification, on the date on which the corresponding document was or was deemed to have been filed by the patentee in the earlier application but for all other purposes the application of the opponent shall be proceeded with as an application for a patent under this Act.".
- 24. Section 27 of the principal Act shall be omitted.

Omission of section 27.

Amendment

25. In section 28 of the principal Act,-

of section 28.

- (a) for sub-section (4), the following sub-section shall be substituted, namely:-
- "(4) A request or claim under the foregoing provisions of this section shall be made before the grant of patent.";
- (b) sub-section (5) shall be omitted;
- (c) in sub-section (6), for the words, brackets and figure "Subject to the provisions of sub-section (5), where", the word "Where" shall be substituted.

In cases of "obtaining" Controller may treat the patent as the patent of opponent.

Amendment of section 31.

26. In section 31 of the principal Act, for the words "not later than six months", the words "not later than twelve months" shall be substituted.

Amendment of section 34.

27. In section 34 of the principal Act, the words "to accept complete specification for a patent or" shall be omitted.

Amendment of section 35.

28. In section 35 of the principal Act, in sub-section (3), for the words "acceptance of complete specification", the words "grant of patent" shall be substituted.

Amendment of section 36.

29. In section 36 of the principal Act, in sub-section (1), for the words "twelve months", the words "six months" shall be substituted.

Amendment of section 37.

- 30. In section 37 of the principal Act,-
  - (a) in sub-section (1),—
  - (i) in clause (a), for the words "to accept", the words "to grant" shall be substituted;
    - (ii) for the proviso, the following proviso shall be substituted, namely:—

"Provided that the application may, subject to the directions, proceed up to the stage of grant of the patent, but the application and the specification found to be in order for grant of the patent shall not be published, and no patent shall be granted in pursuance of that application.";

(b) in sub-section (2), for the words "is accepted", the words "is found to be in order for grant of the patent" shall be substituted.

Substitution of new section for section 39.

31. For section 39 of the principal Act, the following section shall be substituted, namely:—

Residents not to apply for patents outside India without prior permission.

- "39. (1) No person resident in India shall, except under the authority of a written permit sought in the manner prescribed and granted by or on behalf of the Controller, make or cause to be made any application outside India for the grant of a patent for an invention unless—
  - (a) an application for a patent for the same invention has been made in India, not less than six weeks before the application outside India; and
  - (b) either no direction has been given under sub-section (1) of section 35 in relation to the application in India, or all such directions have been revoked.
- (2) The Controller shall dispose of every such application within such period as may be prescribed:

Provided that if the invention is relevant for defence purpose or atomic energy, the Controller shall not grant permit without the prior consent of the Central Government.

(3) This section shall not apply in relation to an invention for which an application for protection has first been filed in a country outside India by a person resident outside India."

Substitution of heading of Chapter VIII.

32. In Chapter VIII of the principal Act, for the Chapter heading "Grant and Sealing of Patents and Rights conferred thereby", the Chapter heading "Grant of Patents and Rights conferred thereby" shall be substituted.

33. For section 43 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 43.

"43. (1) Where an application for a patent has been found to be in order for grant of the patent and either—

Grant of patents.

- (a) the application has not been refused by the Controller by virtue of any power vested in him by this Act; or
- (b) the application has not been found to be in contravention of any of the provisions of this Act,

the patent shall be granted as expeditiously as possible to the applicant or, in the case of a joint application, to the applicants jointly, with the seal of the patent office and the date on which the patent is granted shall be entered in the register.

- (2) On the grant of patent, the Controller shall publish the fact that the patent has been granted and thereupon the application, specification and other documents related thereto shall be open for public inspection.".
- 34. In section 44 of the principal Act, for the word "sealed", at both the places where it occurs, the word "granted" shall be substituted.

Amendment of section 44

35. In section 45 of the principal Act, in sub-section (3), for the words "the date of advertisement of the acceptance of the complete specification", the words "the date of publication of the application" shall be substituted.

Amendment of section 45.

36. In section 48 of the principal Act, the proviso shall be omitted.

Amendment of section 48. Amendment of section

- 37. In section 52 of the principal Act,-
  - (a) in sub-section (1),—
  - (i) for the opening words "Where a patent has been revoked", the words and figures "Where the patent has been revoked under section 64" shall be substituted;
  - (ii) for the word "court", wherever it occurs, the words "Appellate Board or court" shall be substituted;
- (b) in sub-section (2), for the word "court", occurring at both the places, the words "Appellate Board or court" shall be substituted.
- 38. In section 53 of the principal Act,-

Amendment of section

(a) after sub-section (1), the following Explanation shall be inserted, namely:—

"Explanation.—For the purposes of this sub-section, the term of patent in case of International applications filed under the Patent Cooperation Treaty designating India, shall be twenty years from the international filing date accorded under the Patent Cooperation Treaty.";

- (b) in sub-section (2), for the words "or within that period as extended under this section", the words "or within such extended period as may be prescribed" shall be substituted:
  - (c) sub-section (3) shall be omitted.
- 39. In section 54 of the principal Act,—

(a) in sub-section (3), for the words "complete specification", occurring at both the places, the word "application" shall be substituted;

53.

Amendment of section 54.

- (b) for sub-section (4), the following sub-section shall be substituted, namely:—
- "(4) A patent of addition shall not be granted before grant of the patent for the main invention.".

Amendment of section 57.

- 40. In section 57 of the principal Act,—
  - (a) for sub-section (3), the following sub-section shall be substituted, namely:—
  - "(3) Any application for leave to amend an application for a patent or a complete specification or a document related thereto under this section made after the grant of patent and the nature of the proposed amendment may be published.";
  - (b) in sub-section (4),—
    - (i) for the word "advertised", the word "published" shall be substituted;
  - (ii) for the word "advertisement", the word "publication" shall be substituted:
- (c) for sub-section (6), the following sub-section shall be substituted, namely:—
  - "(6) The provisions of this section shall be without prejudice to the right of an applicant for a patent to amend his specification or any other document related thereto to comply with the directions of the Controller issued before the grant of a patent.".
- 41. For section 58 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 58.

Amendment of specification before Appellate Board or High Court.

- "58. (1) In any proceeding before the Appellate Board or the High Court for the revocation of a patent, the Appellate Board or the High Court, as the case may be, may, subject to the provisions contained in section 59, allow the patentee to amend his complete specification in such manner and subject to such terms as to costs, advertisement or otherwise, as the Appellate Board or the High Court may think fit, and if in any proceedings for revocation the Appellate Board or the High Court decides that the patent is invalid, it may allow the specification to be amended under this section instead of revoking the patent.
- (2) Where an application for an order under this section is made to the Appellate Board or the High Court, the applicant shall give notice of the application to the Controller, and the Controller shall be entitled to appear and be heard, and shall appear if so directed by the Appellate Board or the High Court.
- (3) Copies of all orders of the Appellate Board or the High Court allowing the patentee to amend the specification shall be transmitted by the Appellate Board or the High Court to the Controller who shall, on receipt thereof, cause an entry thereof and reference thereto to be made in the register."

Amendment of section 59.

- 42. In section 59 of the principal Act, for sub-section (2), the following sub-section shall be substituted, namely:—
  - "(2) Where after the date of grant of patent any amendment of the specification or any other documents related thereto is allowed by the Controller or by the Appellate Board or the High Court, as the case may be,—
    - (a) the amendment shall for all purposes be deemed to form part of the specification along with other documents related thereto;
    - (b) the fact that the specification or any other documents related thereto has been amended shall be published as expeditiously as possible; and

(c) the right of the applicant or patentee to make amendment shall not be called in question except on the ground of fraud.".

43. In section 60 of the principal Act, in sub-section (1), for the words, brackets and figures "prescribed period or within that period as extended under sub-section (3) of section 53", the words, figures and brackets "period prescribed under section 53 or within such period as may be allowed under sub-section (4) of section 142" shall be substituted.

Amendment of section 60.

44. In section 61 of the principal Act, in sub-section (1), for the words "advertise the application", the words "publish the application" shall be substituted.

Amendment of section

45. In section 62 of the principal Act,-

Amendment of section

62.

- (a) in sub-section (1), for the word "advertisement", the word "publication" shall be substituted:
- (b) in sub-section (2), for the words "date of the advertisement", the words "date of publication" shall be substituted.

Amendment of section

- 46. In section 63 of the principal Act,—
- (a) in sub-section (2), for the word "advertise", the word "publish" shall be substituted:
- (b) in sub-section (3), for the words "such advertisement", the words "such publication" shall be substituted.
- 47. In section 64 of the principal Act, in sub-section (I), for the words "on the petition of any person interested or of the Central Government or on a counter-claim in a suit for infringement of the patent, be revoked by the High Court", the words "be revoked on a petition of any person interested or of the Central Government by the Appellate Board or on a counter-claim in a suit for infringement of the patent by the High Court" shall be substituted.

Amendment of section

48. For section 65 of the principal Act, the following section shall be substituted, namely:-

"65. (1) Where at any time after grant of a patent, the Central Government is satisfied that a patent is for an invention relating to atomic energy for which no patent can be granted under sub-section (1) of section 20 of the Atomic Energy Act, 1962, it may direct the Controller to revoke the patent, and thereupon the Controller, after giving notice, to the patentee and every other person whose name has been entered in the register as having an interest in the patent, and after giving them an opportunity of being heard, may revoke the patent.

Substitution of new section for section 65. Revocation of patent or amendment of complete specification on directions from Government in cases relating to atomic energy.

(2) In any proceedings under sub-section (1), the Controller may allow the patentee to amend the complete specification in such manner as he considers necessary instead of revoking the patent.".

> Substitution of new section for section 68.

49. For section 68 of the principal Act, the following section shall be substituted, namely:-

> Assignments, etc., not to be valid unless in writing and duly executed.

"68. An assignment of a patent or of a share in a patent, a mortgage, licence or the creation of any other interest in a patent shall not be valid unless the same were in writing and the agreement between the parties concerned is reduced to the form of a document embodying all the terms and conditions governing their rights and obligations and duly executed.".

33 of 1962.

Amendment of section 74.

- 50. In section 74 of the principal Act, for sub-section (2), the following sub-section shall be substituted, namely:—
  - "(2) The Central Government may, by notification in the Official Gazette, specify the name of the Patent Office.".

Amendment of section 78.

- 51. In section 78 of the principal Act,—
- (a) in sub-section (4), for the word "advertised", the word "published" shall be substituted:
- (b) in sub-section (5), for the words "such advertisement", the words "such publication" shall be substituted.

Amendment of section 87.

52. In section 87 of the principal Act, in sub-section (I), for the words "shall advertise the application in the Official Gazette", the words "shall publish the application in the official journal" shall be substituted.

Amendment of section 90.

- 53. In section 90 of the principal Act, in sub-section (1), for clause (vii), the following shall be substituted, namely:—
  - "(vii) that in the case of semi-conductor technology, the licence granted is to work the invention for public non-commercial use or to remedy a practice determined after judicial or administrative process to be anti-competitive;
  - (viii) that the licence is granted with a predominant purpose of supplying in the Indian market:

Provided that the licensee may also export the patented product in accordance with section 92A:

Provided further that in case the licence is granted to remedy a practice determined after judicial or administrative process to be anti-competitive, the licensee shall be permitted to export the patented product.".

Insertion of new section 92A. 54. After section 92 of the principal Act, the following section shall be inserted, namely:—

Compulsory licence for export of patented pharmaceutical products in certain exceptional circumstances

- '92A. (1) Compulsory licence shall be available for manufacture and export of patented pharmaceutical products to any country having insufficient or no manufacturing capacity in the pharmaceutical sector for the concerned product to address public health problems, provided compulsory licence has been granted by such country.
- (2) The Controller shall, on receipt of an application in the prescribed manner, grant a compulsory licence solely for manufacture and export of the concerned pharmaceutical product to such country under such terms and conditions as may be specified and published by him.
- (3) The provisions of sub-sections (1) and (2) shall be without prejudice to the extent to which pharmaceutical products produced under a compulsory licence can be exported under any other provision of this Act.

Explanation.—For the purposes of this section, "pharmaceutical products" means any patented product, or product manufactured through a patented process, of the pharmaceutical sector needed to address public health problems and shall be inclusive of ingredients necessary for their manufacture and diagnostic kits required for their use.'.

Amendment of section 100.

55. In section 100 of the principal Act, in sub-section (3), for the words "the acceptance of the complete specification in respect of the patent", the words "grant of the patent" shall be substituted.

56. In section 105 of the principal Act, in sub-section (4), for the words "after the date of advertisement of acceptance of the complete specification of a patent", the words "after the publication of grant of a patent" shall be substituted.

Amendment of section 105.

57. In section 107A of the principal Act,-

(a) in clause (a),—

Amendment of section 107A.

- (i) for the words "using or selling", the words "using, selling or importing" shall be substituted;
- (ii) for the words "use or sale,", the words "use, sale or import" shall be substituted;
- (b) in clause (b), for the words "who is duly authorised by the patentee to sell or distribute the product", the words "who is duly authorised under the law to produce and sell or distribute the product" shall be substituted.
- 58. In section 113 of the principal Act,-

Amendment of section 113.

- (a) for sub-section (1), the following sub-section shall be substituted, namely:--
- "(1) If in any proceedings before the Appellate Board or a High Court for the revocation of a patent under section 64 and section 104, as the case may be, the validity of any claim of a specification is contested and that claim is found by the Appellate Board or the High Court to be valid, the Appellate Board or the High Court may certify that the validity of that claim was contested in those proceedings and was upheld.";
- (b) for sub-section (3), the following sub-section shall be substituted, namely:—
- "(3) Nothing contained in this section shall be construed as authorising the courts or the Appellate Board hearing appeals from decrees or orders in suits for infringement or petitions for revocation, as the case may be, to pass orders for costs on the scale referred to therein."

59. In section 116 of the principal Act [as substituted by section 47 of the Patents (Amendment) Act, 2002], in sub-section (2), clause (c) shall be omitted.

Amendment of section 116.

60. In section 117A of the principal Act [as inserted by section 47 of the Patents (Amendment) Act, 2002], in sub-section (2), for the words and figures "section 20, section 25, section 27, section 28", the words, figures and brackets "section 20, sub-section (5) of section 25, section 28" shall be substituted.

Amendment of section 117A.

61. In section 117D of the principal Act [as inserted by section 47 of the Patents (Amendment) Act, 2002], in sub-section (1), for the words, "for rectification of the register", the words and figures "for revocation of a patent before the Appellate Board under section 64 and an application for rectification of the register" shall be substituted.

Amendment of section 117D.

62. For section 117G of the principal Act [as inserted by the Patenta (Amendment) Act, 2002], the following section shall be substituted, namely:—

Substitution of new section for section 117G. Transfer of pending proceedings to Appellate Board.

- "117G. All cases of appeals against any order or decision of the Controller and all cases pertaining to revocation of patent other than on a counter-claim in a suit for infringement and rectification of register pending before any High Court, shall be transferred to the Appellate Board from such date as may be notified by the Central Government in the Official Gazette and the Appellate Board may proceed with the matter either de novo or from the stage it was so transferred."
- Amendment of section 120.
- 63. In section 120 of the principal Act, for the words, "ten thousand rupees", the words "one lakh rupees" shall be substituted.

38 of 2002.

38 of 2002.

38 of 2002.

38 of 2002.

Amendment of section 122. Amendment of section 123.

- 64. In section 122 of the principal Act, in sub-section (1), for the words "twenty thousand rupees", the words "ten lakh rupees" shall be substituted.
- 65. In section 123 of the principal Act, for the words "ten thousand rupees in the case of a first offence and forty thousand rupees", the words "one lakh rupees in the case of a first offence and five lakh rupees" shall be substituted.

Amendment of section 126.

- 66. In section 126 of the principal Act,—
  - (a) in sub-section (1), in clause (c), sub-clause (i) shall be omitted;
- (b) in sub-section (2), for the words, brackets and figures "the Patents (Amendment) Act, 2002", the words, brackets and figures "the Patents (Amendment) Act, 2005" shall be substituted.

38 of 2002.

Substitution of new section for section 133. Convention countries.

- 67. For section 133 of the principal Act, the following section shall be substituted, namely:—
  - "133. Any country, which is a signatory or party or a group of countries, union of countries or inter-governmental organisations which are signatories or parties to an international, regional or bi-lateral treaty, convention or arrangement to which India is also a signatory or party and which affords to the applicants for patents in India or to citizens of India similar privileges as are granted to their own citizens or citizens to their member countries in respect of the grant of patents and protection of patent rights shall be a convention country or convention countries for the purposes of this Act.".

Amendment of section 135.

- 68. In section 135 of the principal Act, after sub-section (2), the following sub-section shall be inserted, namely:—
  - "(3) In case of an application filed under the Patent Cooperation Treaty designating India and claiming priority from a previously filed application in India, the provisions of sub-sections (1) and (2) shall apply as if the previously filed application were the basic application:

Provided that a request for examination under section 11B shall be made only for one of the applications filed in India.".

Amendment of section 138.

- **69.** In section 138 of the principal Act, for sub-section (1), the following sub-section shall be substituted, namely:—
  - "(1) Where a convention application is made in accordance with the provisions of this Chapter, the applicant shall furnish, when required by the Controller, in addition to the complete specification, copies of the specifications or corresponding documents filed or deposited by the applicant in the patent office of the convention country as referred to in section 133 verified to the satisfaction of the Controller, within the prescribed period from the date of communication by the Controller.".

70. In section 142 of the principal Act, in sub-section (4), for the words "the complete

Amendment of section 142. Substitution of new section for

71. For section 143 of the principal Act, the following section shall substituted, namely:—

specification", the words "the application" shall be substituted.

Restrictions upon publication of specification.

section 143.

"143. Subject to the provisions of Chapter VII, an application for a patent, and any specification filed in pursuance thereof, shall not, except with the consent of the applicant, be published by the Controller before the expiration of the period prescribed under sub-section (1) of section 11A or before the same is open to public inspection in pursuance of sub-section (3) of section 11A or section 43.".

72. For section 145 of the principal Act, the following section shall substituted, namely:—

Substitution of new section for section 145.

"145. The Controller shall publish periodically an official journal which shall contain such information as may be required to be published by or under the provisions of this Act or any rule made thereunder.".

Publication of official journal.

73. In section 151 of the principal Act,-

Amendment of section . 151.

- (a) in sub-section (1), for the words "the High Court", occurring at both the places, the words "the High Court or the Appellate Board" shall be substituted;
- (b) in sub-section (3), for the word "courts", the words "Appellate Board or the courts, as the case may be," shall be substituted.
- 74. Section 152 of the principal Act shall be omitted.

Omission of section 152.

75. In section 159 of the principal Act,-

ct,<del>--</del>

Amendment of section 159.

- (i) in sub-section (2),—
- (a) for clauses (ia) and (ib), the following clauses shall be substituted, namely:—
  - "(ia) the period which the Controller may allow for filing of statement and undertaking for in respect of applications under sub-section (1), the period within which the details relating to processing of applications may be filed before the Controller and the details to be furnished by the applicant to the Controller under sub-section (2) of section 8;
  - (ib) the period within which a reference to the deposit of materials shall be made in the specification under sub-clause (A) of clause (ii) of the proviso to sub-section (4) of section 10;
  - (ic) the period for which application for patent shall not be open to the public under sub-section (1) and the manner in which the applicant may make a request to the Controller to publish his application under sub-section (2) of section 11A;
  - (id) the manner of making the request for examination for an application for patent and the period within which such examination shall be made under sub-sections (1) and (3) of section 11B;
  - (ie) the manner in which an application for withdrawal of an application for grant of a patent shall be made and the period within which a request for examination from the date of revocation of secrecy directions shall be made under the proviso to sub-section (4) of section 11B.";
- (b) in clause (ii), for the word "advertised", the word "published" shall be substituted;
  - (c) for clause (v), the following clauses shall be substituted, namely:—
  - "( $\nu$ ) the manner in which and the period within which the Controller shall consider and dispose off a representation under sub-section (I) of section 25:
  - (va) the period within which the Controller is required to dispose off an application under section 39;";

(ii) in sub-section (3), the following proviso shall be added at the end, namely:—

"Provided that the Central Government may, if it is satisfied that the circumstances exist which render it practically not possible to comply with such condition of previous publication, dispense with such compliance.".

Omission of section 163.

76. Section 163 of the principal Act shall be omitted.

Transitional provision.

- 77. (1) Notwithstanding the omission of Chapter IVA of the principal Act by section 21 of this Act, every application for the grant of exclusive marketing rights filed under that Chapter before the 1st day of January, 2005, in respect of a claim for a patent covered under sub-section (2) of section 5 of the principal Act, such application shall be deemed to be treated as a request for examination for grant of patent under sub-section (3) of section 11B of the principal Act, as amended by this Act.
- (2) Every exclusive right to sell or distribute any article or substance in India granted before the 1st day of January, 2005 shall continue to be effective with the same terms and conditions on which it was granted.
- (3) Without prejudice to any of the provisions of the principal Act, the applications in respect of which exclusive rights have been granted before the 1st day of January, 2005 shall be examined for the grant of patent immediately on the commencement of this Act.
- (4) All suits relating to infringement of the exclusive right granted before 1st day of January, 2005 shall be dealt with in the same manner as if they were suits concerning infringement of patents under Chapter XVIII of the principal Act.
- (5) The examination and investigation required as carried out for the grant of exclusive right shall not be deemed in any way to warrant the validity of any grant of exclusive right to sell or distribute, and no liability shall be incurred by the Central Government or any officer thereof by reason of, or in connection with, any such examination or investigation or any report or other proceedings consequent thereon.

Repeal and saving.

78. (1) The Patents (Amendment) Ordinance, 2004 is hereby repealed.

Ord. 7 of 2004. 1

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance shall be deemed to have been done or taken under the corresponding provisions of the principal Act, as amended by this Act.

#### STATEMENT OF OBJECTS AND REASONS

The law relating to patents is contained in the Patents Act, 1970 (39 of 1970) which came into force on the 20th April, 1972. This Act was amended in March, 1999 and June, 2002 to meet India's obligations under the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS), which forms part of the agreement establishing the World Trade Organisation (WTO). The amendments primarily focused on the obligations which came into force from 1st January, 1995 (in respect of amendments made in March, 1999) and obligations which came into force from 1st January, 2000 (in respect of amendments notified in June, 2002). The first amendment to the Patents Act introduced a transitional facility ("mail box") from January 01, 1995 to receive and hold product patent applications in the fields of pharmaceuticals and agricultural chemicals till January 01, 2005 and also for grant of exclusive marketing rights (EMRs) for a period of 5 years or till the product patent is granted or patent application is rejected, whichever is earlier.

- 2. Before making the latter amendment, a Joint Committee of both the Houses of Parliament examined all aspects and recommended various provisions in order to provide necessary and adequate safeguards for protection of public interest, national security, biodiversity and traditional knowledge, including effective flexibilities to enable appropriate and timely response to national and public interest concerns, especially those relating to public health and nutrition. These were included in the second amendment.
- 3. The earlier amendments had, inter alia, provided for the modalities for a ten-year transition facility (which India had negotiated at the time of its accession to the WTO), commencing from the 1st January, 1995. As a consequence, the law was required to be amended further in respect of India's obligations under the TRIPs Agreement, due from 1st January, 2005.
- 4. Given the importance of the issues, the Government undertook broad-based and extensive consultations involving different interest groups on aspects critical to the changes which were necessary in the Patents Act, 1970. These included country-wide interactive sessions with various interest groups, including scientists, academicians, economists, representatives of various industry sectors (such as pharmaceutical, biotech and software), chambers of commerce, private and public sector units, journalists, non-governmental organisations, representatives of State Governments, lawyers and attorneys and other interest groups and extensive inter-Ministerial consultations.
- 5. The time-frame for this set of amendments was most crucial as any slippage in meeting the January 01, 2005 deadline had the potential of inviting retaliatory action under the WTO disputes mechanism. Having availed of the entire ten-year transition period provided under the TRIPs Agreement, India had no legal basis to defend its default on the deadline. The past record of delayed implementation would also not have helped the Indian case. This default would also have created a legal vacuum for the "mailbox" applications, as there would not be any mechanism to deal with them from January 01, 2005. This would have amounted to a specific default on the international commitment to examine and dispose of these cases, and might have again provided an opportunity to WTO member countries to raise a dispute against India in the WTO. There would also have been a legal vacuum in respect of fresh applications after January 01, 2005, as the law was silent on whether the "mailbox" provision would subsist or whether it would have ceased. Finally, there would have been an erosion of India's credibility in the international field. In the circumstances it was considered necessary to bring in the required amendments in time and as Parliament was not in session, the President promulgated the Patents (Amendment) Ordinance, 2004 (Ord. 7 of 2004) on the 26th December, 2004.

- 6. While considering the third set of amendments to the Act, efforts have been made not only to fulfil our final obligation under the TRIPs Agreement, but also to simplify and rationalize the procedure governing grant of patents so as to make the system more efficient and user-friendly.
- 7. The salient features of the amendments contained in the said Ordinance are as follows:—
  - (a) to introduce product patent protection in all fields of technology (that is, drugs, food and chemicals since product patent protection already exists for all other fields), as per Article 27 of the TRIPs Agreement;
  - (b) to modify the provisions relating to exclusive marketing rights (EMRs) since these were part of the transitional arrangements;
  - (c) to modify and clarify the provisions relating to patenting of software related inventions when they have technical application to industry or in combination with hardware;
  - (d) to modify the provisions relating to opposition procedure with a view to streamline the system by having both pre-grant and post-grant opposition in the Patent Office;
  - (e) to introduce a provision for enabling grant of compulsory licence for export of medicines to countries which have insufficient or no manufacturing capacity, to meet emergent public health situations (permissible under paragraph 6 of the Doha Declaration on TRIPs and Public Health);
  - (f) to amend and strengthen the provisions relating to national security to guard against patenting abroad of dual use technologies;
  - (g) to amend the provisions relating to the Intellectual Property Appellate Board with a view to extending its jurisdiction to revocation of patents also;
  - (h) to amend certain provisions with a view to harmonizing them with the Patent Cooperation Treaty to which India is a signatory;
  - (i) to rationalize the provisions relating to time-lines with a view to reducing the processing time for patent applications, and to simplify the procedure.
- 8. The Bill seeks to replace the said Ordinance. The notes on clauses explain the various provisions of the Bill.

New Delhi; The 14th February, 2005 KAMAL NATH.

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#### Notes on clauses

Clause 1.—Sub-clause (1) of this clause provides for the short title of the proposed legislation. Sub-clause (2) provides for appointment of different dates for commencement of different provisions of the Bill, when enacted, because provisions like those relating to revocation of patent by the Intellectual Property Appellate Board are new and require providing for necessary mechanism, which may take some time.

Clause 2.—This clause seeks to amend section 2 of the Patents Act, 1970 (herein referred to as the Act) relating to definitions and interpretation. While some new definitions are being added, some of them have been omitted and some of the existing definitions have been made simple and comprehensive. The new definitions, which have been added, are those of "Budapest Treaty" and "Opposition Board". The definitions of "food" and "medicine or drug" have been omitted. The definitions which are amended are those relating to "convention application", "government undertaking", "High Court" and "patent". While it is necessary to define new terms and expressions used in the Bill, it has also become necessary to modify some other definitions in accordance with the changing requirements, present practices, etc.

Sub-clause (a) seeks to define "Budapest Treaty" as India has recently joined this treaty and its provisions are now applicable to India. Sub-clause (b) seeks to modify clause (d) of sub-section (1) of section 2 of the Act so that it would not be necessary to notify the convention countries as and when new countries join the treaties to which India is a signatory. It will enable India to meet international obligation without any loss of time. This is also consequential to the changes made in section 133 of the Act vide clause 67 of the Bill. Sub-clause (c) seeks to omit the definition of the term "food" as it will not be relevant with the proposed introduction of product patent in all fields of technologies including this sector. Sub-clause (d) seeks to amend the definition of the term "government undertaking" by including a sub-clause in section 2(1)(h), namely "by an institution wholly or substantially financed by the Government" and by deletion of the words "and includes the Council of Scientific and Industrial Research and any other institution which is financed wholly or for the major part by the said Council" from clause (h) in order to make a generic provision encompassing all institutions which are financed wholly or partially by the Government within the ambit of "government undertaking". Sub-clause (e) seeks to substitute the definition of the expression "High Court" in section 2(1)(i) in order to provide a general provision, which will avoid the necessity to amend the Act as and when a new State or Union territory is created. Sub-clause (f) seeks, inter alia, to omit the definition of the term "medicines or drug" provided in clause (1) of sub-section (1) of section 2 of the Act as this will not be relevant with the proposed introduction of product patent protection in all fields of technologies. It also provides a definition for the words "Opposition Board" in order to deal with any opposition filed in the patent office for revocation of patent. It further seeks to define "patent" to mean a patent for any invention granted under the Act.

Clause 3.—This clause seeks to amend section 3 of the Act, which relates to inventions not patentable. Sub-clause (a) seeks to substitute the words "new use" with the words "mere new use" to provide drafting consistency and to exclude grant of patent for mere new use of known substances. Sub-clause (b) seeks to amend clause (k) of section 3 to clarify the provision so as to allow software related inventions having technical application to industry or in combination with hardware as eligible for being patented.

Clause 4.—This clause seeks to omit section 5 of the Act, relating to inventions where only methods or processes of manufacture are patentable so as to allow product patent protection regime in all fields of technology including the areas of food, medicine and drugs. This is to make the provisions of the Act in conformity with India's obligations under the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS).

Clause 5.—This clause seeks to amend section 7 of the Act, which relates to form of application. Sub-clause (a) proposes a new sub-section (1B) to clarify that the filing date of every application referred to in sub-section (1A) and its complete specification processed by the patent office as designated office or elected office shall be the international filing date accorded under the Patent Cooperation Treaty (PCT). Sub-clause (b) seeks to substitute the word "owner" occurring in sub-section (3) with the word "person" so as to clarify that the person claiming to be the true and first inventor need not be the owner alone. Sub-clause (c) seeks to substitute sub-section (4) so as to clarify that every application (not being a convention application or an application filed under Patent Cooperation Treaty designating India) shall be accompanied by a provisional or a complete specification. This is to align the provisions of the Act with those of the Patent Cooperation Treaty.

Clause 6.—This clause seeks to amend section 8 of the Act, which relates to information and undertaking regarding foreign applications so as to enable filing of particulars of corresponding applications being prosecuted in countries outside India either along with the application or subsequently. Sub-clause (a) seeks to amend the provisions of sub-section (1) by replacing the words "within such period as the Controller may, for good and sufficient reason, allow" with the words "within the prescribed period as the Controller may allow" in order to rationalize the procedure. This sub-clause also seeks to substitute the words "up to the date of acceptance of his complete specification in India" occurring in clause (b) of sub-section (1) of section 8 with the words "up to the date of grant of patent in India" as the stage of acceptance is being replaced by the stage of grant of patent. Sub-clause (b) seeks to substitute sub-section (2) of section 8 in order to rationalize the procedure for submission of information relating to foreign applications to the Controller within the prescribed time.

Clause 7.—This clause seeks to amend section 9 of the Act, which relates to provisional and complete specifications. Sub-clause (a) seeks to substitute sub-section (1) along with its proviso so as to insert the reference of applications filed under the Patent Cooperation Treaty (PCT) designating India therein and also to reduce the time period for grant of patent. Sub-clause (b) seeks to amend sub-section (2) by inserting a proviso thereto so as to harmonize it with the provisions of sub-section (1). Sub-clause (c) seeks to substitute sub-section (3) to harmonize it with the provisions of sub-section (1). Sub-clause (d) seeks to substitute the words "the acceptance of complete specification" with the words "grant of patent" in order to delete the provisions for acceptance which would subsume in the process for examination and grant.

Clause 8.—This clause seeks to amend section 10 of the Act, which relates to contents of the specifications. Sub-clause (a) seeks to substitute the words "before the acceptance of application" occurring in sub-section (3) with the words "before the application is found in order for grant of patent" as the procedure for acceptance of application is being simplified. Sub-clause (b) seeks to amend the proviso to sub-section (4) by amending clause (ii) thereof by inserting a reference to the international depository authority under the Budapest Treaty. This sub-clause also seeks to substitute sub-clause (A) to the proviso in order to enable the applicants to mention the reference of the material in the complete specification within the time limit prescribed, which was deposited in the international depository authority. Subclause (c) seeks to substitute sub-section (4A) by omitting existing clause (ii) of the said subsection as same has been shifted to section 7 vide clause 5 of the Bill.

Clause 9.—This clause seeks to amend section 11 of the Act, which relates to priority dates of claims of a complete specification. Sub-clause (a) seeks to provide a new provision namely, sub-section (3A) relating to priority claim based on a previously filed application in India provided the same is filed within twelve months from the date of that application. This amendment is being proposed to harmonise the provisions of the Act with PCT. Sub-clause (b) seeks to insert a reference of new sub-section (3A) in sub-section (6), which is a consequential amendment to the amendment proposed vide sub-clause (a).

Clause 10.—This clause seeks to amend section 11A of the Act, which relates to publication of patent applications. Sub-clause (a) seeks to substitute sub-sections (1), (2) and (3). These new sub-sections seek to provide flexibility in the time period for making the

patent application open to the public with the overall objective of providing progressive reduction in the processing time of applications in Patent Offices so as to achieve international standards. Sub-clause (b) seeks to amend sub-section (4) so as to provide flexibility in the time period for making the patent application open to public after secrecy direction ceases to operate. Sub-clause (c) seeks to provide a new sub-section (7) relating to provisional rights to the applicant on the publication of his application as per international practice. However, the applicant shall not be entitled to institute any proceedings for infringement until the patent has been granted. It further seeks to provide that rights of patent in respect of applications made under sub-section (2) of section 5 shall be available only from date of grant of patent.

Clause 11.—This clause seeks to amend section 11B of the Act, which relates to request for examination of patent applications. Sub-clause (a) seeks to substitute subsection (1), which deals with filing of request for examination within 48 months from the date of filing of applications for patent. It is proposed to enable the Central Government to lay down appropriate time frame in the rules so as to streamline the process and also for bringing progressive reduction in the processing time of applications. Sub-clause (b) seeks to omit sub-section (2) which deals with the time period for making request for examination within twelve months from the date of commencement of the Patents (Amendment) Act. 2002. As necessary rules could be made under sub-section (1), this sub-section has become redundant. Sub-clause (c) seeks to substitute sub-section (3) which deals with filing of request in respect of applications filed under sub-section (2) of section 5 so as to provide flexibility in making request for examination of those applications. Sub-clause (d) seeks to amend sub-section (4) by omitting the reference of sub-section (2), which is consequential in nature. This clause also seeks to substitute the proviso to sub-section (4) so as to provide the facility of withdrawing of application in which the applicant is not interested and also provides flexibility in making request for examination in case the secrecy direction issued under section 35 of the Act has been revoked.

Clause 12.—This clause seeks to amend section 12 of the Act, which deals with examination of application. Sub-clause (a) seeks to amend sub-section (1) so as to enable the Controller to refer application, specification and other documents to an examiner "at the earliest" with the overall objective of providing progressive reduction in the processing time of applications in Patent Office thereby achieving international standards. Sub-clause (b) seeks to amend sub-section (2) by substituting the words "a period of eighteen months from the date of such reference" with the words "such period as may be prescribed" in order to reduce the processing time for grant of patent by appropriately laying down the same by rules.

Clause 13.—This clause seeks to amend section 13 of the Act, which deals with search for anticipation by previous publication and by prior claim. It seeks to substitute the words "it has been accepted" with the words "the grant of a patent" in view of removal of provisions relating to acceptance of patent applications.

Clause 14.—This clause seeks to substitute sections 14 and 15 of the Act, which relate to consideration of report of examiner by Controller and power of the Controller to refuse or require amendments in the application in certain cases, respectively. This clause provides clarity in section 14 by including the reference of "other documents" as well as communication of objections to applicant expeditiously as far as possible in order to expedite the grant of patent. This clause also seeks to substitute section 15 of the Act to empower the Controller to require the applicant to amend the application, specification or other documents to his satisfaction before proceeding with the application in case he is satisfied that the application, specification or other documents do not comply with the provisions of the Act or the rules made thereunder and in case the applicant fails to meet such requirements, he could refuse the application.

Clause 15.—This clause seeks to amend section 16 of the Act, which relates to the power of Controller to make orders respecting division of application. Sub-clause (a) seeks

to substitute the words "before the acceptance of complete specification" with the words "before the grant of the patent". This consequential amendment is necessary in view of the removal of provisions relating to acceptance of application. Sub-clause (b) seeks to substitute the Explanation to this section clarifying the provisions relating to examination of divisional applications when the request for examination is filed within the prescribed period in order to harmonise with the provisions of section 45 and to clarify as to when the request for examination should be filed for divisional applications.

Clause 16.—This clause seeks to amend section 17 of the Act, which relates to the power of Controller to make orders respecting dating of application. It seeks to replace the words "before acceptance of the complete specification" with the words "before the grant of the patent". This is a consequential amendment in view of the removal of provisions relating to acceptance of complete specification.

Clause 17.—This clause seeks to amend section 18 of the Act, which relates to powers of Controller in cases of anticipation. Sub-clause (a) seeks to substitute the words "to accept the complete specification" with the words "the application". This is a consequential amendment in view of the removal of the provisions relating to acceptance of complete specification. Sub-clause (b) seeks to omit sub-section (4) as the same will become redundant with the proposed modification of pre-grant opposition procedure.

Clause 18.—This clause seeks to amend section 19 of the Act, which relates to powers of Controller in case of potential infringement. It proposes to delete reference to proceedings under section 25. This is consequential to the proposed modification of pregrant opposition procedure.

Clause 19.—This clause seeks to substitute section 21 of the Act, which relates to time for putting application in order for acceptance. This clause proposes to empower the Central Government to lay down, by rules, the outer time limit to put the applications in order for grant of a patent instead of the time period of twelve months, as at present.

Clause 20.—This clause seeks to omit sections 22, 23 and 24 of the Act, which relate to acceptance of complete specification, advertisement of acceptance of complete specification and effect of acceptance of complete specification respectively. These are consequential amendments necessitated in view of removal of the provisions relating to acceptance of the complete specification and publication of complete specification after acceptance and according provisional rights to the applicant from the publication of the application.

Clause 21.— This clause seeks to omit Chapter IVA of the Act, which relates to Exclusive Marketing Rights. The omission of said Chapter is being proposed consequent to the introduction of product patent regime, *inter alia*, in the field of inventions relating to medicines and drugs.

Clause 22.—This clause seeks to substitute the heading of Chapter V of the Act, which relates to "OPPOSITION TO GRANT OF PATENT" with "REPRESENTATION AND OPPOSITION PROCEEDINGS". This is a consequential amendment to the modification in pre-grant opposition procedure and proposed introduction of post-grant opposition procedure for revocation of patent in the Patent Office.

Clause 23.—This clause seeks to substitute sections 25 and 26 of the Act. Sub-section (1) of the proposed new section 25 seeks to provide for making representation by way of opposition by any person before the Controller before the grant of patent on the ground of patentability including novelty, inventive step and industrial applicability and also on the grounds of non-disclosure or wrongful mentioning in complete specification, source and geographical origin of biological material used in the invention and anticipation of invention by the knowledge, oral or otherwise available within any local or indigenous community in India or elsewhere and also for prescribing the procedure to deal with such opposition. Proposed new sub-section (2) of section 25 seeks to provide for excluding the persons from becoming party to any proceeding under the Act only for the reason that he has made such

representation. Sub-section (3) seeks to provide for filing of opposition for revoking the patent within one year from the date of grant of patent on the same grounds, which are available at present under the Act under sub-section (1) of section 25.

Sub-section (4) seeks to provide for constituting an Opposition Board to examine such opposition and the procedure for conducting the examination of such opposition by the Board. Sub-section (5) empowers the Controller, to order, after giving the patentee and the opponent an opportunity of being heard and taking into account the recommendation of the Opposition Board, either to maintain or to amend or to revoke the patent. Sub-section (6) seeks to provide that while issuing an order under sub-section (5), the Controller shall not take into account any personal document or secret trial or secret use. Sub-section (7) provides that if the specification or other documents are amended by the order of the Controller, the patent shall stand amended accordingly.

This clause also seeks to substitute section 26 of the Act, which relates to the matter in cases of "obtaining". This is consequential to the introduction of post-grant opposition procedure before the Patent Office and also consequential to the removal of provisions relating to acceptance of the application.

- Clause 24.—This clause seeks to omit section 27 of the Act, which relates to refusal of patent without opposition. By introduction of pre-grant representation by third party after publication of the application but before grant of patent, the said section has become redundant.
- Clause 25.—This clause seeks to amend section 28 of the Act, which relates to mentioning of inventor as such in patent. Sub-clause (a) seeks to substitute sub-section (4) so as to restrict the making of a request for mentioning the name of the inventor before the grant of patent, which is consequential to the proposed removal of the provisions for acceptance of the application. Sub-clause (b) seeks to omit sub-section (5), which is consequential to the modification of pre-grant opposition before the patent office. Sub-clause (c) seeks to amend the provisions of sub-section (6) by omitting the reference to the sub-section (5) as a consequential amendment to the omission of sub-section (5).
- Clause 26.—This clause seeks to amend section 31, which relates to anticipation by public display, etc. of the invention. It proposes to substitute the words "not later than six months" with the words "not later than twelve months" in order to make the provision inventor-friendly by allowing more time for filing patent application after invention has been displayed or published.
- Clause 27.—This clause seeks to amend section 34 of the Act, which relates to an anticipation under certain circumstances by suitably omitting reference to acceptance of complete specification. This amendment is consequential to the removal of the provision for acceptance of the complete specification.
- Clause 28.—This clause seeks to amend section 35 of the Act, which relates to secrecy direction relating to inventions relevant for defence purposes. It proposes to amend subsection (3) by replacing the words "acceptance of complete specification" with the words "grant of patent". This amendment is consequential to the removal of the provisions for acceptance of the complete specification.
- Clause 29.—This clause seeks to amend section 36 of the Act, which relates to review of secrecy directions periodically. It is proposed to reduce the time period of twelve months as at present to six months to review the secrecy direction in order to expedite the grant of patents and make the system user friendly by early review of the secrecy direction.
- Clause 30.—This clause seeks to amend section 37 of the Act, which relates to consequences of secrecy directions in so far as it relates to acceptance of the complete specification with grant of patent, as consequential to the proposed removal of provisions for acceptance of the complete specification.
- Clause 31.—This clause seeks to substitute section 39 of the Act, which relates to prohibition to apply under certain circumstances for patents relevant for defence purposes,

etc. with a new provision to protect security interests of India. It is intended to prevent defence related inventions to be filed outside India by persons resident in India without being first filed in India and permission to file abroad obtained. This clause also proposes that all applications seeking permission to file abroad shall be disposed off by the Controller within a period as may be prescribed under the rules. However, in case the inventions are relevant for defence purpose or atomic energy, the Controller shall not grant permit without prior consent of the Central Government. This is being proposed mainly for the reasons that many inventions have dual use and, therefore, all applications need to be screened in national interest.

Clause 32.—This clause seeks to substitute the heading of chapter VIII of the Act, which relates to grant and sealing of patents and rights conferred thereby, with a new heading "Grant of Patents and Rights Conferred Thereby". This is being done to make it in conformity with the changes made in the chapter for dispensing with the system of filing of request for sealing of patent in order to expedite the grant of patent.

Clause 33.—This clause seeks to substitute section 43 of the Act, which relates to grant and sealing of patent with a new section to deal with grant of patents. This clause proposes to dispense with the provisions relating to filing of request for sealing of a patent. The proposal is intended to simplify the procedure in order to reduce the time for grant of patent. Some of the proposed changes are also consequential in nature. This clause also proposes to insert a provision requiring the Controller to publish the patent on its grant and make the application, specification and other documents related thereto open for public inspection.

Clause 34.—This clause seeks to amend section 44 of the Act, which relates to amendment of patent granted to deceased applicant. This clause proposes to replace the word "sealed", wherever it occurs with the word "granted". This is consequential to the changes proposed in section 43 vide clause 33.

Clause 35.—This clause seeks to amend section 45 of the Act, which relates to date of patent. This clause proposes to replace the words "the date of advertisement of the acceptance of complete specification" with the words "the date of publication of the application" as a consequential amendment to the provisions proposed by clause 10 for providing provisional right from the date of publication of the application.

Clause 36.—This clause seeks to amend section 48 of the Act, which relates to rights of patentees. It is proposed to omit the proviso to section 48, as with the introduction of product patent protection in all fields of technology, the said proviso has become redundant.

Clause 37.—This clause seeks to amend section 52 of the Act, which relates to grant of patent to true and first inventor where it has been obtained by another in fraud of him. Subclause (a) seeks to amend sub-section (1) by replacing the words "where a patent has been revoked" with the words "where the patent has been revoked under section 64". This subclause also proposes to replace the word "court" occurring in the said sub-section with the words "Appellate Board or court" so as to provide jurisdiction to the Appellate Board also in matters of revocation of patent wrongfully obtained. Sub-clause (b) seeks to amend the provisions of sub-section (2) by replacing the word "court" occurring at both the places therein with the words "Appellate Board or court". This amendment is consequential to the proposed enhancement of jurisdiction of Appellate Board for revocation of patent under section 64 vide clause 47.

Clause 38.—This clause seeks to amend section 53 of the Act, which relates to term of patent. Sub-clause (a) seeks to insert an explanation to sub-section (1) clarifying the term of patent in respect of applications filed under PCT from the international filing date accorded under PCT. Sub-clause (b) seeks to amend sub-section (2) by substituting the words "or within that period as extended under this section" with the words "or within such period as may be prescribed". This amendment is proposed with a view to provide flexibility in the provision for time period for payment of renewal fees which is proposed to be prescribed by

the rules. Sub-clause (c) seeks to omit the provisions of sub-section (3) which is consequential to the amendment proposed in sub-clause (b).

- Clause 39.—This clause seeks to amend section 54 of the Act, which relates to patents of addition. Sub-clause (a) seeks to amend sub-section (3) by replacing the words "complete specification" with the word "application" as the date of patent has been changed from the date of filing of the complete specification to the date of filing of the application. Sub-clause (b) seeks to substitute the provisions of sub-section (4) by a new provision. This is a consequential change in view of proposed amendment in section 43 of the Act vide clause 33, dispensing with the system of filing of request for sealing of patent.
- Clause 40.—This clause seeks to amend section 57 of the Act, which relates to amendment of application and specification before the Controller. Sub-clauses (a) and (c) seek to substitute sub-sections (3) and (6) respectively. These amendments are consequential to the removal of provisions of acceptance of the application and also to ensure flexibility in the publication of particulars of amendment. Sub-clause (b) seeks to replace the words "advertised" and "advertisement" with the words "published" and "publication" respectively. This amendment is consequential to the amendment proposed in sub-section (3).
- Clause 41.—This clause seeks to substitute section 58 of the Act, which relates to amendment of specification before High Court by a new section. It is proposed to enlarge the scope of the provision of existing section 58 by enhancing the jurisdiction of Appellate Board in amendment of specifications and also to enable implementation of the orders of the Appellate Board.
- Clause 42.—This clause seeks to amend section 59 of the Act, which relates to supplementary provisions as to amendment of application or specification. It proposes to substitute the existing provisions of sub-section (2) by replacing the provisions for advertisement of reference of acceptance of complete specification and other documents with grant of patent and inserting reference to "Appellate Board" before "High Court". This clause also provides to publish the amendments as expeditiously as possible. These amendments are consequential to the removal of the provisions relating to acceptance of specification and proposed enhancement of jurisdiction of Appellate Board and also with a view to introduce flexibility in the matter of publication.
- Clause 43.—This clause seeks to amend section 60 of the Act, which relates to applications for restoration of lapsed patents. This clause proposes to amend the provisions of sub-section (1) so as to provide an opportunity to patentee to have his patent restored on default of payment of renewal fee for first time also.
- Clause 44.—This clause seeks to amend section 61 of the Act, which relates to the procedure for disposal of applications for restoration of lapsed patents. The amendment seeks to ensure flexibility in the publication.
- Clause 45.—This clause seeks to amend section 62 of the Act, which relates to rights of patentees of lapsed patents which have been restored. The amendments seek to ensure flexibility in the publication.
- Clause 46.—This clause seeks to amend section 63 of the Act, which relates to surrender of patents so as to enable the Controller to "publish" the offer of surrender of patent instead of "advertising" the same. This is to ensure flexibility in the publication.
- Clause 47.—This clause seeks to amend section 64 of the Act, which relates to revocation of patent so as to confer jurisdiction to the Appellate Board in matters of revocation of patent as the matter is of a technical nature.
- Clause 48.—This clause seeks to substitute section 65 of the Act, which relates to revocation of patent or amendment of complete specification on directions from Central Government in cases relating to atomic energy. The amendments proposed are consequential to the proposed removal of provisions relating to acceptance of patent application.

Clause 49.—This clause seeks to substitute section 68 of the Act, which relates to assignments, etc., not to be valid unless in writing and duly registered. The amendment is being proposed with a view to avoid repetition of the procedure for registration of assignment, which is already contained in section 69.

Clause 50.—This clause seeks to amend section 74 of the Act, which relates to patent office and its branches. It seeks to replace the existing provision of sub-section (2) which has served its purpose with a new provision for providing flexibility to the Central Government in providing appropriate name to the patent office.

Clause 51.—This clause seeks to amend section 78, which relates to power of Controller to correct clerical errors, etc. The amendment seeks to ensure flexibility in the publication.

Clause 52.—This clause seeks to amend section 87, which relates to procedure for dealing with applications under sections 84 and 85. The amendment seeks to ensure flexibility in the publication and is also consequential to the amendment proposed in section 145 vide clause 72.

Clause 53.—This clause seeks to amend section 90, which relates to terms and conditions of compulsory licences. The amendment seeks to clarify the permission relating to export of patented products under compulsory licence.

Clause 54.—This clause seeks to insert a new section 92A in the Act relating to the grant of compulsory licence for manufacture and export of the patented pharmaceutical products in certain exceptional circumstances. The proposed provision provides for grant of licence to manufacture and export patented pharmaceutical products to a country if the applicant has obtained a compulsory licence in that country to which he proposes to export the particular product and in that country there is insufficient or no manufacturing capacity in respect of that particular product. The amendment seeks to implement the agreement on Paragraph 6 of Doha Declaration on TRIPs Agreement and Public Health.

Clause 55.—This clause seeks to amend section 100 of the Act, which relates to power of Central Government to use inventions for purposes of Government. This clause seeks to amend sub-section (3) by replacing the words "acceptance of complete specification in respect of the patent" with the words "grant of patent". This is a consequential amendment due to removal of provisions of acceptance of complete specification.

Clause 56.—This clause seeks to amend section 105 of the Act, which relates to power of court to make declaration as to non-infringement. This is a consequential amendment to the removal of provisions relating to acceptance of complete specification and changing the requirement of "advertisement" to that of "publication" to ensure flexibility.

Clause 57.—This clause seeks to amend section 107A of the Act, which relates to certain acts not to be considered as infringement. Sub-clause (a) proposes to include importing also within the purview of the section with a view to making the provisions more effective from the user's point of view. Sub-clause (b) seeks to amend the existing provision to permit import of products from persons duly authorised under the law to produce and sell or distribute the product to make the provision more effective.

Clause 58.—This clause seeks to amend section 113 of the Act, which relates to certificate of validity of specification and costs of subsequent suits for infringement thereof. This clause seeks to replace the provisions of sub-sections (1) and (3) by incorporating the words "Appellate Board", before the words "High Court". Sub-clause (a) seeks to substitute the provisions of sub-section (1) by replacing the words "High Court" with the words "Appellate Board or High Court". Sub-clause (b) seeks to replace the provisions of subsection (3) by inserting the words "Appellate Board". These amendments are proposed with a view to enhancing the jurisdiction of Appellate Board under section 64.

Clause 59.—This clause seeks to amend section 116 of the Act as substituted by section 47 of the Patents (Amendment) Act, 2002. Section 116 relates to appeals to the

Appellate Board. This clause proposes to omit clause (c) of sub-section (2) in view of advisability of having persons possessing scientific qualifications as Technical Members.

Clause 60.—This clause seeks to amend section 117A of the Act, which relates to appeals to the Appellate Board as a consequential one to the proposed new provisions of sub-section (5) of section 25 of the Act vide clause 23 and omission of section 27 vide clause 24.

Clause 61.—This clause seeks to amend section 117D of the Act, which relates to procedure for application for rectification, etc., before the Appellate Board. It is proposed to empower the Central Government to prescribe the forms of applications for revocation of a patent by the Appellate Board under section 64 and the application for rectification of the register under section 71 of the Act.

Clause 62.—This clause seeks to substitute section 117G of the Act, which relates to transfer of pending proceedings to the Appellate Board. It seeks to replace the existing provision enabling the transfer of cases pertaining to revocation of patent other than on a counter claim in a suit for infringement and rectification of register of a patent pending before the High Coart to the Appellate Board. This amendment is consequential to the proposed enhancement of jurisdiction of the Appellate Board under section 64.

Clause 63.—This clause seeks to amend section 120 of the Act, which relates to unauthorised claim of patent rights. This clause seeks to enhance the penalty to one lake rupees from ten thousand rupees, as at present. This amendment is being proposed with a view to strengthening the enforcement provisions of the Act.

Clause 64.—This clause seeks to amend section 122 of the Act, which relates to refusal or failure to supply information. This clause seeks to amend the provisions of sub-section (1) by increasing the penalty from twenty thousand rupees, as at present, to ten lakh rupees. This amendment is being proposed with a view to strengthening the penalty provisions.

Clause 65.—This clause seeks to amend section 123 of the Act, which relates to practice by non-registered patent agents. This clause seeks to amend the provisions of subsection (1) by increasing the penalty from ten thousand rupees and forty thousand rupees, as at present, to one lakh rupees and five lakh rupees, respectively. These amendments are being proposed with a view to strengthening the penalty provisions.

Clause 66.—This clause seeks to amend section 126 of the Act, which relates to qualifications for registration as patent agents. Sub-clause (a) seeks to amend sub-section (1) with a view to prescribe uniform qualification and to improve the quality of profession as the subject matter is scientific and technical in nature. Sub-clause (b) seeks to amend sub-section (2) to protect the patent agents registered before the commencement of the proposed legislation.

Clause 67.—This clause seeks to substitute section 133 of the Act, which relates to notification as to convention countries. The new provision seeks to provide for recognising convention countries automatically with their becoming members of international treaties, etc., to which India will also be a party and which allow to citizens of India the same privileges as are accorded to its citizens and other member countries. This is to avoid the requirement of issuing notification every time when any of such countries becomes a member of any treaty, convention or arrangement to which India is also a signatory or party and thereby causing delay in affording necessary privileges.

Clause 68.—This clause seeks to amend section 135 of the Act, which relates to convention applications. It seeks to insert a new sub-section (3) to the said section to harmonise the provisions of the Act with PCT and for examination of only one application either filed directly in India or filed in India under PCT. This amendment is being proposed to avoid duplicacy in examination of applications and to avoid erroneous grant of two patents on same application.

Clause 69.—This clause seeks to amend section 138 of the Act, which relates to supplementary provisions as to convention applications. It seeks to substitute the provisions of sub-section (1) by replacing it with a new provision which is intended to harmonise the provision with the amended provisions of section 133. This amendment is being proposed to simplify the procedure and also to harmonise with the provisions of PCT relating to submission of priority documents.

Clause 70.—This clause seeks to amend section 142 of the Act, which relates to fees. This clause seeks to substitute the words "the complete specification" with the words "the application" in sub-section (4). This amendment is consequential to the amendment proposed in section 45 relating to date of patent vide clause 35.

Clause 71.—This clause seeks to substitute section 143 of the Act, which relates to restriction upon publication of specifications. This is consequential to the changes made in section 11A and substitution of section 43.

Clause 72.—This clause seeks to substitute section 145 of the Act, which relates to publication of patented inventions so as to enable the Controller to periodically publish an official journal containing such information as may be required to be published by or under the provisions of the Act or any rule made thereunder or any other information. This amendment is being proposed with a view to enabling the Patent Office to publish the patent related information in its official journal instead of in the Gazette of India in order to make available such information at one place and also to avoid delay in publication of such information.

Clause 73.—This clause seeks to amend section 151 of the Act, which relates to transmission of orders of Court to Controller. This clause seeks to substitute the words "High Court", wherever they occur, with the words "High Court or Appellate Board". This amendment is consequential to the proposed enhancement of jurisdiction of Appellate Board relating to revocation of patents under section 64.

Clause 74.—This clause seeks to omit section 152 of the Act, relating to transmission of copies of specifications, etc. and inspection thereof as this section has lost its relevance due to advancement of information technology and its use in the patent office.

Clause 75.—This clause seeks to amend section 159 of the Act, which relates to the powers of the Central Government to make rules. The amendments proposed in this clause are consequential to the changes made in various provisions of the Act. It is also proposed to provide an enabling provision to make rules in exceptional situations without previous publication.

Clause 76.—This clause seeks to omit section 163 of the Act, which relates to amendment of the Trade and Merchandise Marks Act, 1958 (43 of 1958) as the same has outlived its purpose.

Clause 77.—This clause seeks to provide a transitional provision consequent to grant of Exclusive Marketing Rights under Chapter IVA which is being proposed to be omitted vide clause 21. It seeks to provide provisions for protecting the Exclusive Marketing Rights already granted before the 1st day of January, 2005. This clause also proposes that all the applications for grant of Exclusive Marketing Rights filed before the 1st day of January, 2005 be treated as request for examination for grant of patent under sub-section (3) of section 11B. This clause also proposes that the applications in respect of which Exclusive Rights have already been granted before the 1st day of January, 2005 be examined for the grant of patent immediately on commencement of the Act. Further, it proposes that all suits relating to infringement of Exclusive Marketing Rights granted before 1st day of January, 2005 be dealt with in the same manner as if they were suits concerning infringement of patent under Chapter XVIII of the Act. It is also proposed that examination and investigation required and carried out for the grant of Exclusive Rights shall not be deemed in any way to warrant the validity of any grant of Exclusive Marketing Rights.

Clause 78.—This clause seeks to repeal the Patents (Amendment) Ordinance, 2004 (Ord. 7 of 2004). Sub-clause (2) seeks to save anything done or any action taken under the said Ordinance as if such thing was done or such action was taken under the corresponding provisions of the Patents Act, 1970, as amended by the said Ordinance.

#### MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 6 of the Bill, *inter alia*, empowers the Central Government to lay down, by rules the period which the Controller may allow for filing of statement and undertaking for in respect of applications under sub-section (1), the period within which the details relating to processing of applications may be filed before the Controller and the details to be furnished by the applicant to the Controller under sub-section (2) of section 8.

- 2. Clause 11 of the Bill seeks to substitute section 11B of the Act, *inter alia*, empowering the Central Government to make rules laying down the manner of making a request for examination of an application for a patent and the period within which such request shall be made and also the manner and period of making a request for withdrawal of such application.
- 3. Clause 23 of the Bill seeks to substitute sections 25 and 26 of the Act. The proposed new section 25, *inter alia*, empowers the Central Government to make rules laying down the period within which the Controller shall consider and dispose of the representations referred to in that section. The Central Government may also make rules laying down the procedure, which may be followed by the Opposition Board in conducting the examination and submission of its recommendations to the Controller and the manner of making of notice of opposition. Sub-clause (a) of sub-section (1) of proposed new section 26 of the Act relating to wrongful obtaining *inter alia* empowers the Central Government to make rules relating to the manner of making request by an interested person to the Controller under the Act.
- 4. Clause 31 of the Bill seeks to substitute section 39 of the Act relating to residents not to apply for patent out side India without prior permission. Sub-section (1) of section 39 empowers the Central Government to make rules relating to the manner of applying to the Controller for prior permission. Sub-section (2) of the proposed new section empowers the Central Government to lay down, by rules, the period for disposal of applications under that section.
- 5. Clause 54 of the Bill seeks to insert a new section 92A in the Act. Sub-section (2) of the proposed section enables the Central Government to lay down rules specifying the manner of making applications for compulsory licence for export of the patented pharmaceutical products in certain circumstances.
- 6. Section 159 of the Patents Act, 1970 empowers the Central Government to make rules, by notification in the Official Gazette for carrying out the purposes of this Act. Clause (ii) of sub-section (2) of the said section lays down that the time within which any act or thing may be done may be laid down by rules under the Act. Hence, the period or time required to be laid down in respect of the matters referred to in sections 8, 11A, 12, 14, 16, 21, 25, 39 and 53 as amended by clauses 6, 8, 10, 12, 14, 15, 19, 23 and 38 of the Bill may be prescribed by the Central Government by rules.

The matters in respect of which rules may be made under the afore-mentioned provisions are matters of procedure or administrative details and it is not practicable to provide for them in the Bill itself. The delegation of legislative power is, therefore, of a normal character.

### BILL No. 46 of 2005

A Bill to provide for the withdrawal of certain sums from and out of the Consolidated Fund of the State of Goa for the services of a part of the financial year 2005-06.

BE it enacted by Parliament in the Fifty-sixth Year of the Republic of India as follows:—

1. This Act may be called the Goa Appropriation (Vote on Account) Act, 2005.

Short title.

2. From and out of the Consolidated Fund of the State of Goa there may be withdrawn sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of one thousand five hundred and fifty-three crores, seventy lakhs and sixty-one thousand rupees towards defraying the several charges which will come in course of payment during the financial year 2005-06.

Withdrawal of Rs. 1,553,70,61,000 from and out of the Consolidated Fund of the State of Goa for the financial year 2005,06.

3. The sums authorised to be withdrawn from and out of the Consolidated Fund of the State of Goa by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

Appropriation.

# THE SCHEDULE (See sections 2 and 3)

1 2 3					
No.			Sums not exceeding		
of Vote/ Appro- priation	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total	
		Rs.	Rs.	Rs.	
1	Legislature Secretariat Revenue Capital	2,28,42,000 25,00,000	11,25,000	2,39,67,000 25,00,000	
	CHARGED.—Raj Bhavan		86,70,000	86,70,000	
2	General Administration and Coordination Revenue Capital	6,70,15,000 6,67,000		6,70,15,000	
3	District and Sessions Court, North Goa Revenue	2,12,65,000		2,12,65,000	
4	District and Sessions Court, South Goa Revenue	1,85,47,000		1,85,47,000	
5	Prosecution	49,39,000			
6	Election Office	2,24,80,000		49,39,000	
7	Settlement and Land Records Revenue		• •	2,24,80,000	
8		2,55,08,000	••	2,55,08,000	
,	Treasury and Accounts Administration, North Goa . Revenue  Capital	65,12,92,000 1,32,50,000		65,12,92,000 1,32,50,000	
9	Treasury and Accounts Administration, South Goa . Revenue	48,81,000		48,81,000	
	CHARGED.—Debt Services		167,78,55,000 75,72,08,000	167,78,55,000 75,72,08,000	
10	Notary Services	60,00,000 20,83,000	• •	60,00,000 20,83,000	
11	Excise	1,11,15,000	• •	1,11,15,000	
12	Sales and Entertainment Tax Revenue	2,77,04,000		<b>2,7</b> 7,04,000	
13	Transport	6,52,13,000 4,14,58,000	• •	6,52,13,000 4,14,58,000	
	Charged.—Goa Public Service Commission Revenue		30,73,000	30,73,000	
14	Goa Sadan Revenue	57,50,000	• •	57,50,000	
15	Collectorate, North Goa Revenue	2,77,76,000		2,77,76,000	
16	Collectorate, South Goa Revenue	2,44,40,000		2,44,40,000	
17	Police	26,79,21,000 29,01,000		26,79,21,000 29,01,000	
18	Jails	1,21,18,000 1,43,33,000		1,21,18,000 1,43,33,000	
. 19	Industries, Trade and Commerce	11,75,00,000 2,56,25,000		11,75,00,000 2,56,25,000	
20	Printing and Stationery Revenue	1,43,19,000		1,43,19,000	
21	Public Works	87,79,56,000 75,19,98,000	1,46,000	87,79,56,000 75,21,44,000	
22	Vigilance Revenue	31,43,000		31,43,000	
23	Home Revenue	25,00,000		25,00,000	

N.T.	2	3		
No.	1	Sums not exceeding		
of Vote/ Appro- priation	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
24	Gos Public Men's Corruption —	Rs.	Rs.	Rs.
	Investigation and Enquiries	42,000		42,000
25 👌	Home Guards and Civil Defence Revenue	79,25,000		79,25,000
26	Fire and Emergency Services	2,20,53,000 35,94,000	• •	2,20,53,000 35,94,000
27	Official Language Revenue	53,33,000		53,33,000
28	Administrative Tribunal Revenue	21,87,000		21,87,000
29	Public Grievances Revenue	10,55,000		10,55,000
30	Lotteries Revenue	286,62,52,000	_	
31	Panchayats Revenue	1	••	286,62,52,000
31	Capital	16,33,09,000 47,08,000		16,33,09,000 47,08,000
32	Finance Revenue	22,92,000		22,92,000
	Capital	35,00,00,000		35,00,00,000
33	Revenue Revenue	1,72,21,000		1,72,21,000
34	School Education Revenue	107,58,18,000	••	107,58,18,000
	Capital	1,31,24,000		1,31,24,000
35	Higher Education Revenue	17,03,66,000	. ••	17,03,66,000
36	Capital	1,00,05,000	*:	1,00,05,000
30	Technical Education	2,45,81,000 50,00,000		2,45,81,000 50,00,000
37	Government Polytechnic, Panaji Revenue	2,34,60,000		2,34,60,000
	Capital	15,98,000	•••	15,98,000
38	Government Polytechnic, Bicholim Revenue	70,78,000		70,78,000
	Capital	2,50,000		2,50,000
39	Government Polytechnic, Curchorem Revenue   Capital	28,75,000	•	28,75,000
40		14,58,000	• •	14,58,000
40	Goa College of Engineering	2,90,35,000 62,98,000		2,90,35,000 62,98,000
.41	Goa Architecture College Revenue	41,69,000		41,69,000
	Capital	2,08,000	••	2,08,000
42	Sports Revenue	6,64,43,000		6,64,43,000
	Capital	1,23,90,000	• •	1,23,90,000
43	Art and Culture	3,76,25,000		3,76,25,000
	Capital	2,08,33,000	• • •	2,08,33,000
44	Goa College of Art	40,65,000 14,17,000		40,65,000 14,17,000
45	Archives and Archaeology Revenue		••	
73	Capital	1,29,13,000 41,67,000		1,29,13,000 41,67,000
46	Museum Revenue	32,71,000		32,71,000
	Capital	14,58,000		14,58,000
47	Goa Medical College	18,30,63,000	,.	18,30,63,000
	Capital	1,94,06,000		1,94,06,000

1	2	3		
		Sums not exceeding		
No. of Vote/ Appro- priation	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total .
		Rs.	Rs.	Rs.
48	Health Services Revenue Capital	28,34,30,000 95,31,000		28,34,30,000 95,31,000
49	Institute of Psychiatry and Human Behaviour Revenue Capital	1,88,33,000 86,13,000		1,88,33,000 86,13,000
50	Goa College of Pharmacy Revenue Capital	73,03,000 10,42,000		73,03,000 10,42,000
51	Goa Dental College	1,47,25,000 9,18,000		1,47,25,000 9,18,000
52	Labour Revenue Capital	3,30,57,000 21,000		3,30,57,000 21,000
53	Food and Drugs Administration	66,79,000 6,46,000		66,79,000 6,46,000
54	Town and Country Planning Revenue Capital	3,13,02,000 10,42,000	.,	3,13,02,000 10,42,000
55	Municipal Administration Revenue  Capital	15,51,46,000 2,08,33,000		15,51,46,000 2,08,33,000
56	Information and Publicity	5,83,17,000 4,17,000		5,83,17,000 4,17,000
57	Social Welfare Revenue Capital	27,10,65,000 45,42,000		27,10,65,000 45,42,000
58	Women and Child Development Revenue Capital	8,17,75,000 32,08,000	••	8,17,75,000 32,08,000
59	Factories and Boilers Revenue Capital	50,71,000 4,17,000		50,71,000 4,17,000
60	Employment Revenue	33,85,000		33,85,000
61	Craftsman Training Revenue Capital	4,73,25,000 72,92,000	• •	4,73,25,000 72,92,000
62	Law Revenue Capital	2,21,59,000 53,49,000	• •	2,21,59,000 53,49,000
63	Rajya Sainik Board	9,25,000	• •	9,25,000
64	Agriculture Revenue Capital	9,24,24,000 2,11,94,000	• • • • • • • • • • • • • • • • • • • •	9,24,24,000
65	Animal Husbandry and Veterinary Services Revenue Capital	7,36,37,000 39,58,000		7,36,37,000
66	Fisheries Revenue Capital	3,56,09,000 47,80,000	• •	3,56,09,000 47,80,000
67	Ports Administration	1,48,96,000 83,33,000		1,48,96,000 83,33,000
68	Forests Revenue Capital	6,52,30,000 24,17,000	• •	6,52,30,00 24,17,00
69	Youth Affairs Revenue Capital	1,26,76,000 8,33,000	4,000	1,26,80,00 8,33,00

1	2		3	
No.		Sums not exceeding		
of Vote/ Appro- pristion	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
·		Rs.	Rs.	Rs.
70	Civil Supplies Revenue Capital	69,08,000 9,68,75,000		69,08,000 9,68,75,000
71	Cooperation	1,49,33,000		1,49,33,000
	Capital	6,47,81,000	••	6,47,81,000
72	Science, Technology and Environment Revenue	1,70,00,000	· · · · · · · · · · · · · · · · · · ·	1,70,00,000
, -	Capital	62,50,000		62,50,000
73	State Election Commission	30,69,000		30,69,000
74	Water Resources	9,23,72,000		9,23,72,000
	Capital	49,10,12,000	15,42,000	49,25,54,000
75	Planning, Statistics and Evaluation Revenue	1,24,77,000		1,24,77,000
76	Electricity Revenue	189,72,82,000		189,72,82,000
	Capital	38,06,67,000	• •	38,06,67,000
77	River Navigation	4,56,66,000		4,56,66,000
78	Tourism Revenue	12,13,45,000		12,13,45,000
	Capital	92,50,000	22,92,000	1,15,42,000
79	Goa Gazetteer Revenue	6,46,000		6,46,000
80	Legal Metrology Revenue	33,78,000	.,	33,78,000
	Capital	6,26,000		6,26,000
82	Information Technology Revenue	2,81,25,000		2,81,25,000
G2	Capital	10,42,000		10,42,000
83	Mines Revenue	52,86,000		52,86,000
• •	Capital	4,17,000	, ,	4,17,000
	TOTAL :	1308,51,46,000	245,19,15,000	1553,70,61,000

## STATEMENT OF OBJECTS AND REASONS

This Bill is introduced in pursuance of articles 204(1) and 206 of the Constitution read with the Proclamation issued under article 356 of the Constitution in respect of the State of Goa on the 4th March, 2005, to provide for the appropriation out of the Consolidated Fund of the State of Goa of the moneys required to meet the expenditure charged on the Consolidated Fund of the State of Goa and the grants made in advance by the Lok Sabha in respect of the estimated expenditure of the Government of Goa for a part of the financial year 2005-06.

P. CHIDAMBARAM.

# PRESIDENT'S RECOMMENDATION UNDER ARTICLE 207 OF THE CONSTITUTION OF INDIA

[Copy of letter No. F.2(1)-B(S)/2005, dated the 16th March, 2005 from Shri P. Chidambaram, Minister of Finance to the Secretary-General, Lok Sabha]

The President, having been informed of the subject matter of the proposed Bill to provide for the withdrawal of certain sums from and out of the Consolidated Fund of the State of Goa for the services of a part of the financial year 2005-06, recommends under clauses (1) and (3) of article 207 of the Constitution of India, read with clause (2) of article 206 thereof and the Proclamation dated the 4th March, 2005 issued under article 356 of the Constitution, the introduction of the Goa Appropriation (Vote on Account) Bill, 2005 in and the consideration of the Bill by Lok Sabha.

## BILL No. 47 of 2005

A Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of the State of Goa for the services of the financial year 2004-05.

BE it enacted by Parliament in the Fifty-sixth Year of the Republic of India as follows:-

1. This Act may be called the Goa Appropriation Act, 2005.

Short title.

2. From and out of the Consolidated Fund of the State of Goa there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of fifty-eight crores, seventy-three lakhs and eighty-seven thousand rupees towards defraying the several charges which will come in course of payment during the financial year 2004-05, in respect of the services specified in column 2 of the Schedule.

Issue of Rs. 58,73,87,000 out of the Consolidated Fund of the State of Goa for the financial year 2004-05.

3. The sums authorised to be paid and applied from and out of the Consolidated Fund of the State of Goa by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

Appropriation.

# THE SCHEDULE (See sections 2 and 3)

1	2	•	, 3			
No.			Sums not exceeding			
of Vote/ Appro- priation	Services and purposes		Voted by Parliament	Charged on the Consolidated Fund	Tot <b>al</b>	
			Rs.	Rs.	Rs.	
1	Legislature Secretariat	Revenue Capital	81,20,000 8,00,000		81,20,000 8,00,000	
	CHARGED.— Raj Bhavan	Revenue		20,13,000	20,13,000	
. 2	General Administration and Coordination	Revenue	50,00,000		50,00,000	
3	District and Sessions Court, North Goa	Revenue	16,23,000		16,23,000	
5	Prosecution	Revenue	40,000		40,000	
8	Treasury and Accounts, Administration, North Goa	Revenue	11,48,02,000		11,48,02,000	
	CHARGED.— Debt Services	Revenue		17,93,66,000	17,93,66,000	
10	Notary Services	Revenue	16,39,000		16,39,000	
11	Excise		5,80,000	**	5,80,000	
	CHARGED Goa Public Service Commission	Revenue		6,97,000	6,97,000	
14	Goa Sadan	. Кечепие	34,95,000		34,95,000	
19	Industries, Trade and Commerce		3,56,00,000	,.	3,56,00,000	
• •		Capital	1,35,00,000	۳.	1,35,00,000	
21	Public Works	Capital		4,87,000	4,87,000	
26	Fire and Emergency Services	. Revenue	38,50,000		38,50,000	
34	School Education	. Revenue Capital	11,77,01,000 9,51,000	 	11,77,01,000 9,51,000	
37	Government Polytechnic, Panaji	. Revenue	10,00,000		10,00,000	
47	Goa Medical College	. Revenue	35,02,000		35,02,000	
48	Health Services	- 1	3,34,33,000		3,34,33,000	
49	Institute of Psychiatry and Human Behaviour		3,50,000		3,50,000	
51	Goa Dental College		2,78,000		2,78,000	
56	Information and Publicity	1	12,05,000		12,05,000	
57	Social Welfare		3,25,00,000		3,25,00,000	
61	Craftsman Training		2,23,000	,,	2,23,000	
64	Agriculture		29,20,000		29,20,000	
66	Fisheries		1,000		1,000	
67	Ports Administration		16,00,000		16,00,000	
68	Forests		35,70,000	••	35,70,000	
70	Civil Supplies		19,00,000		19,00,000	
74	Water Resources		35,90,000	·	35,90,000	
. 75	Planning, Statistics and Evaluation		8,91,000	••	8,91,000	
76	Electricity		1,00,00,000		1,00,00,000	
79	Gos Gazetteer		1,60,000		1,60,000	
,,	TOTAL:		40,48,24,000	18,25,63,000	58,73,87,000	

#### STATEMENT OF OBJECTS AND REASONS

This Bill is introduced in pursuance of articles 204(1) and 205 of the Constitution read with the Proclamation issued under article 356 of the Constitution in respect of the State of Goa on the 4th March, 2005, to provide for the appropriation out of the Consolidated Fund of the State of Goa of the moneys required to meet the supplementary expenditure charged on the Consolidated Fund of the State of Goa and the grants made by the Lok Sabha for expenditure of the Government of Goa for the financial year 2004-05.

P. CHIDAMBARAM.

# PRESIDENT'S RECOMMENDATION UNDER ARTICLE 207 OF THE CONSTITUTION OF INDIA

[Copy of letter No. F.2(1)-B(S)/2005, dated the 16th March, 2005 from Shri P. Chidambaram, Minister of Finance to the Secretary-General, Lok Sabha]

The President, having been informed of the subject matter of the proposed Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of the State of Goa for the services of the financial year ending on the 31st day of March, 2005 recommends under clauses (1) and (3) of article 207 of the Constitution read with clause (2) of the article 205 thereof and the Proclamation dated the 4th March, 2005 issued under article 356, the introduction of the Goa Appropriation Bill, 2005 in Lok Sabha and also the consideration of the Bill.

G.C. MALHOTRA, Secretary-General.